



Office of Nevada State Treasurer Zach Conine

Unclaimed Property Division – What’s New in 2019!

Senate Bill 44

Senate Bill 44 (SB44) of the 2019 Nevada Legislative Session made several changes to Nevada’s unclaimed property laws and became effective on July 1, 2019. The current online version of Nevada Revised Statute (NRS) 120A does not yet reflect these changes. Please refer directly to the bill to ensure compliance with new or changed holder requirements. The full text of the enrolled bill may be found online at:

https://www.leg.state.nv.us/Session/80th2019/Bills/SB/SB44_EN.pdf.

SB44 - Fees

Payment by ACH debit is mandatory. A holder who fails to make a payment as required will be assessed a fee by the Nevada Unclaimed Property Division (“the Division”). **The fee will be the greater of \$50 or 2 percent of the amount of the payment.** Written authorization is required from the Division for a holder to file a report or submit payment other than by electronic means through the Division’s online reporting portal (“the Portal”).

SB44 - Virtual (Crypto) Currency

This definition provides additional clarity that “virtual currency or interest” is “property” and as such, subject to unclaimed property laws. Prior to July 1, 2019, virtual currency was deemed property under the NRS 120A.113 definition of property as “a fixed and certain interest in intangible property that is held, issued or owed in the course of a holder’s business”. The presumption of abandonment for virtual currency is covered under NRS 120A.500(1)(n), through June 30, 2019 and SB44 (2019) Section 11(1)(o) as of July 1, 2019. For reporting purposes, the property-type code for virtual currency is MS17 “Miscellaneous Currency”. As Nevada does not currently have the capability to receive virtual currency in native form, it must be liquidated prior to submitting a report, with the cash value on the date of liquidation included on, and remitted with, the report. As reports are due before November 1 of each year, it is recommended that the liquidation be no earlier than one month before remitting the report and that the date for liquidation remain consistent from year-to-year.

SB44 - NRS 120A.080

“Holder” has been amended to include “*business*” or “*assumed to be obligated*” to be holding property for a business or individual.

Definitions for “*Payroll card*” and “*Stored-value card*” have been added to the statute.

The definition of “*Money order*” has been amended to include, “*an order for payment of a specified amount of money*”.

The definition of “*Property*” has been amended to include “*all income from or increments to the property*”. This includes money, virtual currency or interest, or a payroll card, dividend, check, draft, or deposit, stored-value card, unused ticket for which the issuer has an obligation to provide a refund, a security, except for a security that is subject to a lien, legal hold or restriction restricts the holder’s or owner’s ability to receive, transfer, sell or otherwise negotiate the security, a security, and a distribution or payment of a dividend. The term does not include property held in an ABLE account, game-related digital content, or a loyalty card.

SB44 - NRS 120A.500

A provision was added to determine when an account of funds established to meet the costs of burial are considered abandoned.

SB44 - NRS 120A.560

This section has been amended to include provisions regarding holders utilizing third party reporters to submit reports to the Division. Doing so does not alleviate the responsibility of the holder for submitting complete, timely, and accurate reports of property presumed abandoned, for paying or delivering the property described in the report, and for any penalties, interest, and fees due pursuant to NRS 120A.730.

If the apparent owner has previously agreed in writing to receive communication via email, the holder must send due diligence notification both by US mail and email, unless the holder believes the address and/or email address are invalid.

Reporting and payment requirements

Please be aware that Senate Bill 44 explicitly codified the requirement that holders must submit reports and payments through the Portal. Previously, the requirement to submit reports and payments online was authorized by statute and confirmed via a published industrywide notice. As before, paper reports, CD ROMS, USB flash drives, spreadsheets, report files, and diskettes submitted by US mail, email, or online, will not be accepted unless prior written authorization has been granted by the Division.

As a reminder, holder reports and payments submitted through the Portal are encouraged to be submitted simultaneously. **Holders must contact their financial institutions to authorize ACH debit PRIOR to sending payments through the Portal by providing them with Nevada's company code (D886000022) or the payment will reject.** Be aware that a rejected payment cannot be resubmitted until the initial error has been corrected. Rejected payments may be subject to penalty and interest if the resubmitted payment is received after the reporting due date pursuant to NRS 120A.730.

Payment / report exceptions

Requests to pay by any other means than by ACH debit require the completion of an ACH Debit Payment Exception Form. [ACH Debit Payment Exception Form UP-10 – Appendix C] The request must provide a detailed explanation for the need to submit payment outside of the standard process and requires specific information from the reports that the payment will apply to. Accordingly, reports must be prepared prior to submitting an exception request. Scan and attach additional documentation, if required, to support an exception request. Sending an email request without the required exception forms and report documentation will not be accepted.

Requests to file a holder report by any other means than through the Portal require the completion of an Online Report Filing Exception Form UP-12. [Appendix C] The form must provide a detailed explanation for the need to submit a report outside of the standard process. Scan additional documentation, if required, to support your request.

Visit http://www.nevadatreasurer.gov/Unclaimed_Property/Holder_Reporting/ to view the Online Holder Reporting User Manual, register for access, submit reports, or seek an exception.

The Nevada State Treasurer's Office Unclaimed Property Division is committed to assisting holders with any questions they may have about changes to Nevada law. Please do not hesitate to reach out should you have any questions or comments:

Email: NVHolder@NevadaTreasurer.gov | Phone: 702-486-4140